

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

MICHAEL J. QUILLING, Receiver §  
for Advanced Financial Services, Inc., §  
§  
Plaintiff, § Civil Action No. 1:03-CV-0236  
v. §  
§  
TRADE PARTNERS, INC., MACATAWA §  
BANK CORPORATION, successor by §  
merger to GRAND BANK, THOMAS J. §  
SMITH and CHRISTINE M. ZMUDKA, §  
§  
Defendants. §

**REPORT AND RECOMMENDATION REGARDING DOCKET NO. 2026**

On April 19, 2011, the Court considered the Receiver's Motion to Allow Certain Secured and Unsecured State Tax Claims [Doc. No. 2026] at which time the Court found that all parties with claims addressed in the Motion had been served and were given proper notice of the hearing. No party appeared or otherwise responded to the Motion. Having considered the motion and the lack of any response, the Court recommends that the Receiver's Motion to Allow Certain Secured and Unsecured State Tax Claims [Doc. No. 2026] be granted, and that the following B claims be allowed upon the condition that each claimant is required to look to the real property securing the claim for satisfaction of the claim and that the receivership estate shall have no responsibility to pay or otherwise satisfy the claim:

| <b>Claim No.</b> | <b>Amount</b> | <b>Claimant</b>                         |
|------------------|---------------|---|
| B-0163           | \$689.91      | State of California Franchise Tax Board |
| B-0115           | \$32,384.63   | Michigan Department of Treasury         |

|        |             |  |
|--------|-------------|--|
| B-0171 | \$3,406.01  | Michigan Department of Treasury          |
| B-0177 | \$33,340.16 | Michigan Department of Treasury          |
| B-0099 | \$406.66    | Missouri Division of Employment Security |
| B-0100 | \$347.71    | Missouri Division of Employment Security |
| B-0152 | \$21,786.18 | Missouri Department of Revenue           |

The Court further recommends that the following B claims be allowed as general unsecured claims against the receivership estate which means that pursuant to the Receiver's Plan [Doc. No. 1351] as approved by the Court [Doc. No.1523] these claims, although approved, will not be paid:

| Claim No. | Amount       | Claimant                                      |
|-----------|--------------|---|
| B-0117    | \$26,281.91  | City of Branson                               |
| B-0118    | \$8,638.41   | City of Branson                               |
| B-0178    | \$121,413.39 | State of Texas Comptroller of Public Accounts |
| B-0179    | \$121.25     | State of Texas Comptroller of Public Accounts |

Date: May 17, 2011

/s/ Ellen S. Carmody  
 ELLEN S. CARMODY  
 United States Magistrate Judge

OBJECTIONS to this Report and Recommendation must be filed with the Clerk of Court within ten (10) days of the date of service of this notice. 28 U.S.C. § 636(b)(1)(C). Failure to file objections within the specified time waives the right to appeal the District Court's order. *Thomas v. Arn*, 474 U.S. 140, 155 (1985); *United States v. Walters*, 638 F.2d 947, 949-950 (6<sup>th</sup> Cir. 1981).